

House Amendment 2137

PAG LIN

1 1 Amend Senate File 601, as amended, passed, and
1 2 reprinted by the Senate, as follows:
1 3 #1. Page 96, by inserting after line 31 the
1 4 following:
1 5 <DIVISION ____
1 6 PROPERTY TAX RELIEF
1 7 Sec. ____ Section 257.15, subsection 4, Code 2007,
1 8 is amended by adding the following new paragraph:
1 9 NEW PARAGRAPH. e. In addition to the amounts
1 10 appropriated in paragraphs "b" through "d", there is
1 11 appropriated from the general fund of the state for
1 12 the fiscal year beginning July 1, 2007, and subsequent
1 13 fiscal years, the sum of ten million dollars to be
1 14 allocated for the purpose of calculating the statewide
1 15 maximum adjusted additional property tax levy rate and
1 16 providing adjusted additional property tax levy aid as
1 17 provided in section 257.4, subsection 1, paragraph
1 18 "b".
1 19 Sec. ____ Section 411.20, Code 2007, is amended to
1 20 read as follows:
1 21 411.20 STATE APPROPRIATION.
1 22 1. There is appropriated from the general fund of
1 23 the state for each fiscal year an amount necessary to
1 24 be distributed to the statewide fire and police
1 25 retirement system, or to the cities participating in
1 26 the system, to finance the cost of benefits provided
1 27 in this chapter by amendments of the Acts of the
1 28 Sixty-sixth General Assembly, chapter 1089. The
1 29 method of distribution shall be determined by the
1 30 board of trustees based on information provided by the
1 31 actuary of the statewide retirement system.
1 32 2. In addition to the amount appropriated in
1 33 subsection 1, there is appropriated annually from the
1 34 general fund of the state for the fiscal year
1 35 beginning July 1, 2007, and subsequent fiscal years,
1 36 the sum of three million dollars to be distributed to
1 37 the statewide fire and police retirement system, or to
1 38 the cities participating in the system, to finance the
1 39 cost of benefits provided in this chapter.
1 40 3. Moneys appropriated by the state shall not be
1 41 used to reduce the normal rate of contribution of any
1 42 city below seventeen percent.
1 43 Sec. ____ Section 426B.1, Code 2007, is amended by
1 44 adding the following new subsection:
1 45 NEW SUBSECTION. 4. There is appropriated annually
1 46 from the general fund of the state for the fiscal year
1 47 beginning July 1, 2007, and subsequent fiscal years,
1 48 the sum of seven million dollars to provide additional
1 49 property tax relief and to pay increased mental
1 50 health, mental retardation, and developmental
2 1 disabilities services costs.
2 2 Sec. ____ NEW SECTION. 426C.1 COMMERCIAL
2 3 RESIDENTIAL PROPERTY TAX CREDIT == FUND ==
2 4 APPORTIONMENT == PAYMENT == APPROPRIATION.
2 5 1. A commercial residential property tax credit
2 6 fund is created. There is appropriated from the
2 7 general fund of the state to the department of revenue
2 8 to be credited to the commercial residential property
2 9 tax credit fund for the fiscal year beginning July 1,
2 10 2007, and for each subsequent fiscal year, the sum of
2 11 five million dollars to pay the warrants required
2 12 under this chapter.
2 13 The director of the department of administrative
2 14 services shall issue warrants on the commercial
2 15 residential property tax credit fund payable to the
2 16 county treasurers of the several counties of the state
2 17 under this chapter.
2 18 2. The commercial residential property tax credit
2 19 fund shall be apportioned each year so as to give a
2 20 credit against the tax on eligible commercial
2 21 residential property in the state in an amount equal
2 22 to ten percent of the actual levy on the actual value
2 23 of such property.
2 24 3. The amount due each county shall be paid in two

2 25 payments on November 15 and March 15 of each fiscal
2 26 year, drawn upon warrants payable to the respective
2 27 county treasurers. The two payments shall be as
2 28 nearly equal as possible.

2 29 4. The amount of credits shall be apportioned by
2 30 each county treasurer to the several taxing districts
2 31 as provided by law, in the same manner as though the
2 32 amount of the credit had been paid by the owners.
2 33 However, the several taxing districts shall not draw
2 34 the funds so credited until after the semiannual
2 35 allocations have been received by the county
2 36 treasurer, as provided in this chapter.

2 37 5. a. For purposes of this chapter, "commercial
2 38 residential property" means commercial property that
2 39 is an apartment building, a mobile home park, a
2 40 manufactured home community, or a land=leased
2 41 community.

2 42 b. As used in paragraph "a":

2 43 (1) "Apartment building" means the land and
2 44 building used primarily for human habitation and
2 45 containing three or more separate living quarters, as
2 46 well as structures and improvements used primarily as
2 47 a part of or in conjunction with such land and
2 48 building. "Apartment building" does not include a
2 49 hotel, motel, inn, or other building where rooms are
2 50 usually rented for less than one month, a nursing
3 1 home, or a rest home.

3 2 (2) "Land=leased community" means the same as
3 3 defined in sections 335.30A and 414.28A.

3 4 (3) "Manufactured home community" means the same
3 5 as a land=leased community.

3 6 (4) "Mobile home park" means the same as defined
3 7 in section 435.1.

3 8 Sec. ____ NEW SECTION. 426C.2 COMPUTATION BY
3 9 AUDITOR.

3 10 On or before June 1, the county auditor shall
3 11 compute the amount of property taxes to be levied on
3 12 or estimated to be levied on all property eligible for
3 13 the commercial residential property tax credit which
3 14 are due and payable in the ensuing fiscal year and on
3 15 or before June 1 shall certify the total amount to the
3 16 department of revenue.

3 17 Sec. ____ NEW SECTION. 426C.3 WARRANTS
3 18 AUTHORIZED BY DIRECTOR.

3 19 After receiving from the county auditors the
3 20 certifications provided for in section 426C.2, and
3 21 during the following fiscal year, the director of
3 22 revenue shall authorize the department of
3 23 administrative services to draw warrants on the
3 24 commercial residential property tax credit fund
3 25 payable to the county treasurers as provided in
3 26 section 426C.1. If the commercial residential
3 27 property tax credit fund is insufficient to pay in
3 28 full the total of the amount certified to the director
3 29 of revenue, the director shall prorate the fund to the
3 30 county treasurers and notify the county auditors of
3 31 the pro rata percentage on or before June 15.

3 32 Sec. ____ NEW SECTION. 426C.4 APPORTIONMENT BY
3 33 AUDITOR.

3 34 The county auditor shall determine the amount to be
3 35 credited to each parcel of commercial residential
3 36 property, and shall enter upon tax lists as a credit
3 37 against the tax levied on each parcel of commercial
3 38 residential property on which there has been made an
3 39 allowance of credit before delivering said tax lists
3 40 to the county treasurer. Upon receipt of the warrant
3 41 by the county auditor, the auditor shall deliver the
3 42 warrant to the county treasurer for apportionment.
3 43 The county treasurer shall show on each tax receipt
3 44 the amount of tax credit for each parcel of business
3 45 property. In case of change of ownership the credit
3 46 shall follow the title.

3 47 Sec. ____ NEW SECTION. 426C.5 RULES.

3 48 The director of revenue shall prescribe forms and
3 49 rules, not inconsistent with this chapter, necessary
3 50 to carry out its purposes.

4 1 Sec. ____ NEW SECTION. 444.25 PROPERTY TAX
4 2 LIMITATION FOR COUNTIES AND CITIES.

4 3 1. COUNTY LIMITATION. For fiscal years beginning
4 4 on or after July 1, 2008, the maximum amount of
4 5 property tax dollars that may be certified by a county

4 6 for a fiscal year shall not exceed the amount of
4 7 property tax dollars certified by the county for taxes
4 8 payable in the previous fiscal year times the
4 9 inflation factor, for each of the levies for the
4 10 following:

- 4 11 a. General county services under section 331.422,
4 12 subsection 1.
- 4 13 b. Rural county services under section 331.422,
4 14 subsection 2.
- 4 15 c. Other taxes under section 331.422, subsection
4 16 4.

4 17 The limitation provided in this subsection does not
4 18 apply to the levies on the increase in taxable
4 19 valuation due to new construction, additions or
4 20 improvements to existing structures, remodeling of
4 21 existing structures for which a building permit is
4 22 required, annexation, and phasing out of tax
4 23 exemptions, and on the increase in valuation of
4 24 taxable property as a result of a comprehensive
4 25 revaluation by a private appraiser under a contract
4 26 entered into prior to January 1, 2007, or as a result
4 27 of a comprehensive revaluation directed or authorized
4 28 by the conference board prior to January 1, 2007, with
4 29 documentation of the contract, authorization, or
4 30 directive on the revaluation provided to the director
4 31 of revenue, if the levies are equal to or less than
4 32 the levies for the previous year; levies on that
4 33 portion of the taxable property located in an urban
4 34 renewal project the tax revenues from which are no
4 35 longer divided as provided in section 403.19,
4 36 subsection 2; or as otherwise provided in this
4 37 section.

4 38 2. CITY LIMITATION. For fiscal years beginning on
4 39 or after July 1, 2008, the maximum amount of property
4 40 tax dollars that may be certified by a city for a
4 41 fiscal year shall not exceed the amount in property
4 42 tax dollars certified by the city for taxes payable in
4 43 the previous fiscal year times the inflation factor,
4 44 for each of the levies for the following:

- 4 45 a. City government purposes under section 384.1.
- 4 46 b. Capital improvements reserve fund under section
4 47 384.7.
- 4 48 c. Emergency fund purposes under section 384.8.
- 4 49 d. Other city government purposes under section
4 50 384.12.

5 1 The limitation provided in this subsection does not
5 2 apply to the levies on the increase in taxable
5 3 valuation due to new construction, additions or
5 4 improvements to existing structures, remodeling of
5 5 existing structures for which a building permit is
5 6 required, annexation, and phasing out of tax
5 7 exemptions, and on the increase in valuation of
5 8 taxable property as a result of a comprehensive
5 9 revaluation by a private appraiser under a contract
5 10 entered into prior to January 1, 2007, or as a result
5 11 of a comprehensive revaluation directed or authorized
5 12 by the conference board prior to January 1, 2007, with
5 13 documentation of the contract, authorization, or
5 14 directive on the revaluation provided to the director
5 15 of revenue, if the levies are equal to or less than
5 16 the levies for the previous year; levies on that
5 17 portion of the taxable property located in an urban
5 18 renewal project the tax revenues from which are no
5 19 longer divided as provided in section 403.19,
5 20 subsection 2; or as otherwise provided in this
5 21 section.

5 22 3. EXCEPTIONS. The limitations provided in
5 23 subsections 1 and 2 do not apply to the levies made
5 24 for the following:

- 5 25 a. Debt service to be deposited into the debt
5 26 service fund pursuant to section 331.430 or 384.4.
- 5 27 b. Taxes approved by a vote of the people which
5 28 are payable during fiscal years beginning on or after
5 29 July 1, 2008.
- 5 30 c. Hospitals pursuant to chapters 37, 347, and
5 31 347A.

5 32 4. INFLATION FACTOR. For purposes of subsection
5 33 1, the "inflation factor" is one plus the percent
5 34 change in the price index for government purchases by
5 35 type for state and local governments computed for the
5 36 calendar year ending immediately prior to July 1 of

5 37 the fiscal year. The price index used shall be the
5 38 state and local government chain-type price index used
5 39 in the quantity and price indexes for gross domestic
5 40 product as published by the United States department
5 41 of commerce.

5 42 5. COUNTY AUDITOR ADJUSTMENT. In addition to the
5 43 requirement of the county auditor in section 444.3 to
5 44 establish a rate of tax which does not exceed the rate
5 45 authorized by law, the county auditor shall also
5 46 adjust the rate if the amount of property tax dollars
5 47 to be raised is in excess of the amount specified in
5 48 subsection 1 or 2, as adjusted pursuant to subsection
5 49 4.

5 50 Sec. _____. NEW SECTION. 444.25A PROPERTY TAX LEVY
6 1 LIMITATIONS NOT AFFECTED.

6 2 Section 444.25 shall not be construed as removing
6 3 or otherwise affecting the property tax limitations
6 4 otherwise provided by law for any tax levy of the
6 5 political subdivision, except that, upon an appeal
6 6 from the political subdivision, the state appeal board
6 7 may approve a tax levy consistent with the provisions
6 8 of section 24.48 or 331.426.

6 9 Sec. _____. NEW SECTION. 444.25B SECTIONS VOID.
6 10 Sections 24.48 and 331.426 are void for fiscal
6 11 years beginning on or after July 1, 2008.

6 12 Sec. _____. EFFECTIVE AND APPLICABILITY DATES. The
6 13 sections of this division of this Act enacting chapter
6 14 426C, being deemed of immediate importance, take
6 15 effect upon enactment and apply to property taxes due
6 16 and payable in fiscal years beginning on or after July
6 17 1, 2007.>

6 18 #2. By renumbering, redesignating, and correcting
6 19 internal references as necessary.

6 20
6 21

6 22
6 23 STRUYK of Pottawattamie

6 24
6 25
6 26
6 27
6 28
6 29
6 30
6 31
6 32

6 33 SF 601.737 82
6 34 sc/gg/10337